

# Corporate Governance Statement

Mamee-Double Decker (M) Berhad is committed to high standards of corporate governance in performing its business. The Board of Directors is therefore pleased to report that the Company has complied with the major principles set out in Part 1 of the Malaysian Code of Corporate Governance, and this statement, together with the Audit Committee Report on page 21 to 24 explains how the Company has applied the best practices set out in Part 2 of the Code.

## 1. The Board of Directors

### 1.1 Composition

The Board comprises three (3) Non-Executive Directors, four (4) Executive Directors. All of the Non-Executive Directors are independent. The Directors with their different backgrounds and areas of specialisation collectively bring with them a mix of industry-specific knowledge and broad business and commercial experiences. There is a clear division of responsibilities between the Chairman and the Managing Director to ensure a balance of power and authority. An Independent Director Tunku Osman Ahmad has been identified as the one to whom concerns may be conveyed. Personal profiles of the Directors are set out on pages 27 to 29.

### 1.2 Appointments and re-elections to the Board

The identification and appointment of new Directors undergo a process led by the Nomination Committee. Thereafter upon approval by the Board, the Company provides an induction programme for the new Directors to allow them to better understand the business and ultimately to enable them to contribute effectively at Board meetings. In addition, all of the Directors have attended the Mandatory Accreditation Programme.

In accordance to the Bursa Malaysia Securities Berhad's Listing Requirements and the Articles of Association of the Company, all Directors seek re-election at least once every three years. Director(s) over seventy years of age are required to submit themselves for reappointment annually in accordance with Section 129(6) of the Companies Act, 1965.

### 1.3 Board Procedures

The Board normally meet 4 times a year and has met 6 times during this financial year. Details of the attendance of the Directors at the Board meetings are disclosed in the Statement Accompanying Notice of Annual General Meeting set out on page 7. Notices, agendas and board papers of each meeting are issued in a timely manner prior to Board meetings. There is a list of matters, which are reserved specifically for Board's consideration and these include strategic plans and budgets for the Group, and business development issues. Material acquisitions and disposals of assets, and potential investments by the Group are also considered extensively at Board level. In furtherance of Board's responsibilities, the Board has access to the independent advice and services of professionals such as lawyers, external auditors and company secretary at the Company's expense.

### 1.4 Role of Board Committees

The Company has formed several committees, each of which have defined terms and reference, for reporting and recommendation to the Board. These committees are:-

- Audit Committee;
- Nomination Committee;
- Remuneration Committee;
- Options Committee

## Corporate Governance Statement (cont'd)

### a) Audit Committee

Members: Y.A.M. Tunku Osman Ahmad (Chairman)  
 Mohamed Nizam Bin Abdul Razak  
 Pang Tee Nam  
 Dato' Dr. Shanmughalingam A/L Murugasu  
 (Appointed on 17 June 2003)  
 Pang Tee Chew  
 (Appointed on 17 June 2003)

The Audit Committee ("AC"), formed on 14 October 1993. Current composition of AC is made up of three (3) Independent Directors and two (2) Executive Directors. It is primarily responsible for the review of reporting financial information to shareholders, systems of internal control and risk management, the audit process and the related party transactions. The report of the Audit Committee is set out on pages 21 to 24 of this annual report.

### b) Nomination Committee

Members: Y.A.M. Tunku Osman Ahmad (Chairman)  
 Mohamed Nizam Bin Abdul Razak  
 Dato' Dr. Shanmughalingam A/L Murugasu  
 (Appointed on 21 August 2003)

The Nomination Committee ("NC"), set up on 17 May 2001, comprised mainly of Independent Non-Executive Directors. It is responsible for the assessment and recommendation of new Directors to the Board, and for the annual review of the required mix of skills and experience, and other qualities to enable the Board to function completely and efficiently. Assessment and appraisal processes have also been implemented, for the evaluation of the effectiveness of the Board as a whole, the committees and the individual contribution of each Board member.

### c) Remuneration Committee

Members: Y.A.M. Tunku Osman Ahmad (Chairman)  
 Mohamed Nizam Bin Abdul Razak  
 Pang Tee Chew  
 Dato' Dr. Shanmughalingam A/L Murugasu  
 (Appointed on 21 August 2003)

The Remuneration Committee ("RC"), formed on 17 May 2001, whose membership currently comprise three Independent Non-Executive Directors and one Executive Director, is responsible for making recommendations to the Board the remuneration of Executive Directors based on an acceptable framework. The Remuneration Committee shall meet at least once a year.

### d) Options Committee

The Options Committee was established to administer the Company's Employees' Share Option Scheme in accordance with the objectives and regulations thereof and to determine participation eligibility, option offers and share allocations and to attend to such other matters as may be required. Meetings of the Committee are held when necessary. The Chairman of the Committee is Pang Tee Nam and members are Datuk Pang Chin Hin, Pang Tee Chew, Pang Tee Suan, Goh Wee Lim and Tan Chai Lin.

## Corporate Governance Statement (cont'd)

### 2. Directors' Remuneration

The Company recognises the need to ensure that remuneration of Directors are reflective towards the responsibility and commitment that goes with Board membership. In line with this, the Company has adopted the following remuneration structure that attempts to retain and attract the right Directors needed to run the Company successfully:-

- The Remuneration Committee recommends to the Board on the remuneration of Executive Directors; and
- The Board as a whole determines the remuneration of the Non-Executive Directors.

Contrary to the disclosure requirement as indicated in the best practices of the Malaysian Code of Corporate Governance, the Board would not be providing details of remuneration awarded to each Director. However, in compliance with the Bursa Malaysia Securities Berhad's listing requirements, the remuneration paid to Directors, in aggregation and analysed into bands of RM50,000 are as follows:-

	Executive Directors	Non-Executive Directors
	RM	RM
Salaries & Other Remuneration	2,231,605	-
Allowances	88,000	25,000
Fees	146,000	85,000
Benefits-in-kind	86,000	-
Successive Band	-	-
<RM50,001		3
RM50,001 - RM100,000	-	-
RM100,001 - RM150,000	-	-
RM150,001 - RM400,000	-	-
RM400,001 - RM450,000	-	-
RM450,001 - RM500,000	-	-
RM500,001 - RM550,000	-	-
RM550,551 - RM600,000	1	-
RM600,001 - RM650,000	2	-
RM650,001 - RM700,000	1	-

### 3. Shareholder Relations

The Company maintains a regular policy of disseminating information that is material for shareholders attention. In line with the regulatory requirements, various announcements, including quarterly financial reports were made during the year via the Bursa Malaysia Securities Berhad's website.

Developments in the Company's website at [www.mamee.com](http://www.mamee.com) have also allowed the Company to make a great deal of information and presentation accessible to shareholders and customers at all times.

At the Annual General Meeting, the Directors welcome the opportunity to gather the views of shareholders. Notices of each meeting are issued on a timely manner to all, and in the case of special businesses, a statement explaining the effect of the proposed resolutions is provided.

## Corporate Governance Statement (cont'd)

In an attempt to produce a balanced and understandable assessment of the Company's position and prospects, particularly in the financial reports, the Directors have implemented a quality control procedure to ensure that all financial reports have been prepared based on acceptable accounting standards and policies. These financial reports also undergo a review process by the Audit Committee prior to approval by the Board.

The Board understands that in order to strengthen the accountability aspect of financial reporting, the Company needs to maintain a sound system of internal control to safeguard shareholders' investment and the Company's assets. Hence the Company has developed a comprehensive system of internal control comprising of clear structures and accountabilities, well-understood policies and procedures and budgeting and review processes.

The effectiveness of the system of internal control is then scrutinised by internal auditors, who operate independently from the activities of the Company, under the purview of the Audit Committee.

The Board also maintains an appropriate relationship with the Company's external auditors, through formal and transparent arrangement with the Audit Committee. These arrangements are stated on page 24 of the Audit Committee report.

This Corporate Governance Statement is made in accordance with resolution of the Board of Directors dated 28 April 2004.

### Statement Of Directors' Responsibility In Respect Of The Financial Statements

Companies Act, 1965 requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the Group and the Company at the end of the financial year, and of the results and cash flows of the Group and the Company for the financial year.

In preparing the financial statements, the Directors are also responsible for the adoption of suitable accounting policies and their consistent use in the financial statements, supported where necessary by reasonable and prudent judgements.

The Directors hereby confirm that suitable accounting policies have been consistently applied in respect of preparation of the financial statements. The Directors also confirm that the Company maintains adequate accounting records and sufficient internal controls to safeguard the assets of the Group and the Company, and to prevent and detect fraud and other irregularities. These are described more fully in the Corporate Governance Statement.

This Directors' Responsibility Statement is made in accordance with resolution of the Board of Directors dated 28 April 2004.

## Audit Committee Report

The Audit Committee of Mamee-Double Decker (M) Berhad is pleased to present its report for the year ended 31 December 2003. The Board has approved this report by a resolution dated 28 April 2004 for submission to shareholders.

### **Composition**

The Committee comprises three Independent Non-Executive Directors and two Executive Directors, and during the financial year ended 31 Dec 2003, the Committee held meetings on 27 Feb 2003, 28 Apr 2003, 26 May 2003, 21 Aug 2003 and 21 Nov 2003 respectively, a total of five (5) meetings. Details of the members of the Committee and their attendance at the meetings are as follows:

Name	Designation in Audit Committee	Number of Meetings Attended
Y.A.M. Tunku Osman Ahmad (Independent Non-Executive Vice Chairman)	Chairman	4 out of 5
Mohamed Nizam bin Abdul Razak (Independent Non-Executive Director)	Member	5 out of 5
Pang Tee Nam (Executive Director)	Member	4 out of 5
Dato' Dr. Shanmughalingam A/L Murugasu (Independent Non-Executive Director) (Appointed on 17 June 2003)	Member	2 out of 2
Pang Tee Chew (Managing Director) (Appointed on 17 June 2003)	Member	2 out of 2

### **TERMS OF REFERENCE**

#### **Membership**

The Committee shall be appointed by the Board from among their members and shall consist of not less than three (3) members, the majority of whom shall be Independent Directors.

At least one of the members of the Committee must be a member of the Malaysian Institute of Accountants (MIA) or he must have at least 3 years' working experience and have either passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967 or a member of one of the associations of accountants specified in Part 2 of the 1st Schedule of the said Act.

No alternate director shall be appointed as a member of the Committee.

The members of the Committee shall elect a Chairman from among their members who shall be an Independent Director.

The term of office and performance of each member shall be reviewed at least once every three years by the Board.

## Audit Committee Report (cont'd)

### Purpose Of The Committee

The purposes of the Committee are as follows:

1. To provide assistance to the Board in fulfilling its fiduciary responsibilities relating to corporate accounting and reporting practices for the Company.
2. To maintain, through regularly scheduled meetings, a direct line of communication between the Board and the external auditors as well as the internal auditors.
3. To avail to the external and internal auditors a private and confidential audience at any time they desire and to request such audience through the Chairman of the Committee, with or without the prior knowledge of Management.
4. To act upon the Board's request to investigate and report on any issue of concern with regard to the management of the Company.

### Secretary

The Secretary of the Committee shall be the Company Secretary.

### Frequency And Attendance Of Committee Meetings

Meetings shall be held not less than 4 times a year and as and when required during each financial year. The external auditors may request a meeting if they deem necessary.

The Finance Director, the Financial Controller, Chief of Finance Department /Accounts Department /Internal Audit, and a representative of the external auditors shall normally attend meetings. Other Board members may attend meetings upon invitation of the Committee. However, at least once a year the Committee shall meet with the external auditors without any executive board member present. The quorum for meetings shall be 2 members and the majority of members present must be Independent Directors.

In the absence of the Chairman of the Committee, members present shall elect a Chairman for the meeting from amongst the Independent Directors.

### Teleconferencing

- 1 A committee member shall be deemed to be present at a meeting of the Committee if he participates by instantaneous telecommunication device and all members of the Committee participating in the meeting of the Committee are able to hear each other and recognize each other's voice, and for this purpose, participation constitutes prima facie proof of recognition. For the purposes of recording attendance, the Chairman or Secretary of the Committee shall mark on the attendance sheet that the committee member was present and participating by instantaneous telecommunication device.
- 2 A committee member may not leave the meeting by disconnecting his instantaneous telecommunication device unless he has previously obtained the express consent of the Chairman of the meeting and a committee member will be conclusively presumed to have been present and to have formed part of the quorum at all times during the committee meeting by instantaneous telecommunication device unless he has previously obtained the express consent of the Chairman of the committee meeting to leave the meeting.
- 3 Minutes of the proceedings at a committee meeting by instantaneous telecommunication device will be sufficient evidence of such proceedings and of the observance of all necessary formalities if certified as correct minutes by the Chairman of the committee meeting.



## Audit Committee Report (cont'd)

- 4 Instantaneous telecommunication device means any telecommunication conferencing device with or without visual capacity.

### Minutes

All minutes of meetings shall be circulated to every member of the Board. The minutes of each meeting shall be kept and distributed to each member. The Chairman of the Committee shall report on each meeting to the Board.

### Authority

The Committee shall, in accordance with a procedure to be determined by the Board and at the cost of the Company:-

1. have authority to investigate any matters within its terms of reference, where it deems necessary, investigate any matter referred to it or that it has come across in respect of a transaction that raises questions of management integrity, possible conflict of interest, or abuse by a significant or controlling shareholder;
2. have resources which are required to perform its duties;
3. have full and unrestricted access to any information pertaining to the Company;
4. have direct communication channels with the external auditors and persons carrying out internal audit function or activity (if any); and
5. be able to obtain and seek outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary.

### Functions And Duties

The functions and duties of the Committee are as follows:

1. To consider and recommend the appointment of the external auditors, the audit fee, and any questions of resignation or dismissal, and inquire into the staffing and competence of the external auditors in performing their work.
2. To discuss with the external auditors before the audit commences the nature, scope and any significant problems that may be foreseen in the audit, ensure adequate tests to verify the accounts and procedures of the Company and ensure co-ordination where more than one audit firm is involved.
3. To review the quarterly announcements to Bursa Malaysia Securities Berhad and annual financial statements before submission to the Board, focusing particularly on:-
  - any changes in accounting policies and practice;
  - major judgmental areas;
  - significant adjustments resulting from the audit;
  - the going concern assumptions;
  - compliance with the accounting standards;
  - compliance with stock exchange and legal requirements;
  - assess the quality and effectiveness of the internal control system and the efficiency of the Company's operations.
  - the quality and effectiveness of the entire accounting and internal control systems; and
  - the adequacy of the disclosure of information essential to a fair and full presentation of the financial affairs of the Group.



## Audit Committee Report (cont'd)

4. To discuss problems and reservations arising from the interim and final audits, and any matters the auditor may wish to discuss (in the absence of the management where necessary).
5. To do the following when the internal audit function is established:-
  - review the adequacy of the scope, functions and resources of internal audit department and that it has the necessary authority to carry out its work;
  - review internal audit program;
  - ensure co-ordination of external audit with internal audit;
  - consider major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function;
  - review any appraisal or assessment of the performance of the staff of the internal audit function;
  - approve any appointment or termination of senior staff member of the internal audit function;
  - inform itself of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his/her reason of resignation.
6. To review the external auditors' management letter and management's response;
7. To report any breaches of the Listing Requirements, which have not been satisfactorily resolved to the Bursa Malaysia Securities Berhad.
8. To consider:-
  - any related party transactions that may arise within the Company or the Group and to ensure that Directors report such transactions annually to shareholders via the annual report; and
  - in respect of the recurrent related party transactions of a revenue or trading nature which are subject of a shareholders' mandate, prescribe guidelines and review procedures to ascertain that such transactions are in compliance with the terms of the shareholders' mandate.
9. To consider other topics, as may be defined and directed by the Board from time to time.

### Activities during the year

In line with the terms of reference of the Committee, the following activities were carried out:-

- |                                |   |
|--------------------------------|---|
| i) External Audit              | Review of the audit plans for the year.<br>Meeting with the auditor without the presence of the Executive Directors.<br>Assessment of the auditors' performance and audit fees prior to submission to the Board for their approval. |
| ii) Internal Audit             | Review of the audit plans and audit findings for the year.<br>Address issues pertaining to risk management.   |
| iii) Financial Reporting       | Review of the quarterly and annual financial reports of the Company and the Group, for recommendation to the Board of Directors.  |
| iv) Related Party Transactions | Review of the related party transactions entered into by the Company and the Group.   |



## Statement Of Internal Control

### RESPONSIBILITY

The Board has overall responsibility for the Group's system of internal control and for reviewing its effectiveness whilst the role of management is to implement the Board's policies on risk and control. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives.

In pursuing these objectives, internal controls can only provide reasonable and no absolute assurance against material misstatement or loss.

### KEY PROCESSES

The Board confirms that there is a continuous process for identifying, evaluating, monitoring and managing the significant risks faced by the Group, which has been in place for the financial year under review and up to date of approval of the annual report and financial statements.

As part of the continuous improvement process, the Board has taken steps to strengthen the risk management process, by engaging a professional firm to formalise the Risk Management Framework of the Group. Subsequent to the financial year end, a presentation was made to the Audit Committee on key findings of the risk profile of the Group. A Risk Management Workgroup comprising the Managing Director, Executive Directors and selected key management staff, was also set up. The Risk Management Workgroup has the overall responsibility to review the entire risk management processes and procedures and to provide the consolidated risk profile of the Group and the detail action plans to address key risk areas to the Board of Directors on a regular basis.

The key processes that the directors have established in reviewing the adequacy and integrity of the system of internal control, are as follows:

- The Board receives and reviews regular reports from the management of various lines of business, on the key operating statistics, legal, environmental and regulatory matters. The Board approves appropriate responses or amendments to the Group's policy.
- There is a yearly forecasting system. The results of the lines of business are reported monthly and variances are analysed against budget and acted on in a timely manner. Forecasts are revised on a timely basis, taking into account significant business risks.
- The Group's internal audit function was out-sourced to an independent professional firm who report directly to the Audit Committee. The internal auditors perform regular reviews of business processes to assess the effectiveness of internal controls and highlight significant risks impacting the Group. The Audit Committee conducts annual reviews on the adequacy of the internal audit department's scope of work and resources.
- The Audit Committee, on behalf of the Board, regularly reviews and holds discussions with management on the action taken on internal control issues identified in reports prepared by the internal auditors, the external auditors and the management. During the current financial year, 5 internal audit reports were received and reviewed by the Audit Committee.
- There is a clearly defined framework for investment appraisal covering the acquisition or disposal of any business, acceptance of projects, application of capital expenditure and approval on borrowings. Post implementation reviews are conducted and reported to the Board.
- The professionalism and competence of staff is maintained through a rigorous recruitment process, a performance appraisal system and a wide variety of training and development programmes.

Statement made in accordance with the resolution of the Board of Directors dated 28 April 2004.

## Other Compliance Information

### Utilisation of Proceeds

No proceeds were raised by the Company from any corporate proposal during the financial year.

### Share Buybacks

Share buybacks by the Company during the financial year are disclosed under page 70.

### Exercise of Options, Warrants or Convertible Securities

During the financial year, the number of ordinary shares of RM1 each covered under options granted, exercised and un-issued pursuant to the Scheme are disclosed on pages 71 to 72. No warrants or convertible securities were exercised in respect of the Group during the financial year.

### ADR or GDR Programme

The Company did not sponsor any American Depositary Receipts or Global Depositary Receipts programmes during the financial year.

### Impositions of Sanctions/Penalties

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the regulatory bodies.

### Non-audit Fees

The amount of non-audit fee paid or payable to the external auditors by the Group for the financial year ended 31 December 2003 was RM3,500.

### Profit Estimate, Forecast or Projection

The Company did not release any profit estimate, forecast or projection for the financial year. There is no variance between the results for the financial year and the unaudited results previously released by the Company.

### Profit Guarantee

During the year, there was no profit guarantee given by the Company.

### Material Contracts

Save as disclosed below, there were no material contracts of the Company and its subsidiaries involving directors' and major shareholders' interest.

- i) On 30 Oct 2003, Pacific Plantation Sdn. Bhd, a wholly owned subsidiary the Company, entered into a Sale and Purchase Agreement with Tanah Subor Sdn. Bhd. for the disposal of approximately 1,000 acres of leasehold agricultural land located in Sabah for a total consideration of RM8,130,000.
- ii) An agreement between Mamee-Double Decker Foods (Suzhou) Co. Ltd ("MDD Suzhou") and Luzhi County Highway Construction Committee ("LCHCC") in relation to the compulsory acquisition of part of the leasehold land and factory building held by MDD Suzhou at Luzhi Economic Development Zone, Luzhi Town Wu County.

### Contracts Relating to Loan

There were no contracts relating to a loan by the Company and its subsidiaries in respect of the Preceeding item.

## Other Compliance Information (cont'd)

### Related Party Transactions

Related party transactions entered into by the subsidiary companies of the Company which involve Directors' and major shareholders' interest either still subsisting at the end of the financial year ended 31 Dec 2003 or entered into since the end of the previous financial year are as follows:

- Recurrent revenue transactions in respect of sales of instant noodles, snack food and confectionery products and subsidy on advertisement and promotion provided by Kilang Makanan Mamee Sdn Bhd and Pacific Food Products Sdn Bhd, subsidiary companies of the Company, to PT Pacific Food Indonesia, a company connected to Directors and major shareholders of the Company and persons connected with them.
- Recurrent revenue transactions in respect of sales of instant noodles, snack food and confectionery products by Kilang Makanan Mamee Sdn Bhd, subsidiary companies of the Company, to Yang-Yang Co. Ltd, a company connected to Directors and major shareholders of the Company.

Details of the recurrent related parties transactions are disclosed on page 79.

## Profile Of Directors

**Datuk Pang Chin Hin**, aged 74, a Malaysian, is the Executive Chairman of the Company. He was appointed to the Board on 3 August 1991. He is also a member of the Options Committee. Under his stewardship over the past 31 years, the Group has grown from a small family concern into one of the largest local instant noodles and snack food manufacturers in Malaysia. In addition to possessing an intimate knowledge of production and machinery, he has extensive connections with both local and overseas machinery suppliers. He also holds directorship in several private limited companies.

He is the father of Pang Tee Chew, Pang Tee Nam and Pang Tee Suan, all of whom are also Executive Directors and substantial shareholders of the Company. He is deemed interested in recurrent related party transactions, of which a Shareholders' Mandate has been obtained in the EGM held 17 June 2003. Details pertaining to these transactions are disclosed on Note 29 of the Notes to the Financial Statements. He has no convictions for any offences within the past 10 years.

**Y.A.M. Tunku Osman Ahmad**, aged 71, a Malaysian, is an Independent Non-Executive Vice-Chairman of the Company. He was appointed to the Board on 4 September 1991. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee. After obtaining diploma in Agricultural Engineering, Tunku served with the Johor Civil Service for 16 years from 1957 to 1973 in various capacities including that of State Treasurer. He then ventured into the private sector with wide ranging business interest including logging & sawmilling, palm oil refining, property development, plantations, manufacturing and banking. His business acumen is honed by over 30 years of experience in various capacity both in the public and private sectors. He currently sits on the Boards of Pelangi Berhad Group, Keck Seng (Malaysia) Berhad Group, Alpha Industries Berhad, CHG Industries Berhad and Binaik Equity Bhd. He is also currently the President of the Malaysian Wood Industries Association (formerly known as Timber Trade Federation of Malaysia), the Chairman of Malaysian Timber Council and past President of various major real estate associations in Malaysia and the Asean region.

He does not have any family relationship with any Director and/or substantial shareholders of the Company, nor any personal interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.

## Profile Of Directors (cont'd)

**Pang Tee Chew**, aged 51, a Malaysian, is the Managing Director of the Company. He was appointed to the Board on 3 August 1991. He is also a member of the Audit Committee, Remuneration Committee and the Option Committee. He has been with the Group since 1981 and is currently in charge of the corporate affairs of the Group. He is a member of the British Institute of Management and was previously trained in Japan on food processing in the area of canning and packaging. With over twenty-five (25) years of experience in the food industries, he has acquired a wide knowledge of both the local and overseas food markets. He also sits on the board of several private limited companies.

He is the son of Datuk Pang Chin Hin and a brother to, Pang Tee Nam and Pang Tee Suan, all of whom are also Executive Directors and substantial shareholders of the Company. He is deemed interested in recurrent related party transactions, of which a Shareholders' Mandate has been obtained in the EGM held 17 June 2003. Details pertaining to these transactions are disclosed on Note 29 of the Notes to the Financial Statements. He has had no convictions for any offences within the past 10 years.

**Pang Tee Nam**, aged 50, a Malaysian, is an Executive Director of the Company. He was appointed to the Board on 16 August 1995. He is also a member of the Audit Committee and the Chairman of the Options Committee. He is currently in charge of the Group's supply chain and logistics. He holds a Diploma in Business Studies from Warnambool Institute of Advanced Education, Australia. He is a member of the Malaysian Institute of Accountants (MIA) and Australian Society of Certified Practicing Accountants. He has over twenty (20) years of experience in the food business having joined the Group in January 1983.

He is a son of Datuk Pang Chin Hin and a brother to, Pang Tee Chew and Pang Tee Suan, all of whom are also Executive Directors and substantial shareholders of the Company. He is deemed interested in recurrent related party transactions, of which a Shareholders' Mandate has been obtained in the EGM held 17 June 2003. Details pertaining to these transactions are disclosed on Note 29 of the Notes to the Financial Statements. He has had no convictions for any offences within the past 10 years.

**Pang Tee Suan**, aged 47, a Malaysian, is an Executive Director of the Company. He was appointed to the Board on 28 August 1991. He is also a member of the Options Committee. He holds a Bachelor of Science (Honours) degree in Computer Science from Teeside Polytechnic, United Kingdom. He is currently in charge of the sales and marketing aspects of the Group. He is also a Director of several private limited companies.

He is a son of Datuk Pang Chin Hin and a brother to, Pang Tee Chew and Pang Tee Nam, all of whom are also Executive Directors and substantial shareholders of the Company. He is deemed interested in recurrent related party transactions, of which a Shareholders' Mandate has been obtained in the EGM held 17 June 2003. Details pertaining to these transactions are disclosed on Note 29 of the Notes to the Financial Statements. He has had no convictions for any offences within the past 10 years.

## Profile Of Directors (cont'd)

**Mohamed Nizam Bin Abdul Razak**, aged 45, a Malaysian, is an Independent Non-Executive Director of the Company. He was appointed to the Board on 4 September 1991. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee. He graduated in Politics, Philosophy and Economics from Oxford University, United Kingdom in 1980. He began his career in 1981 when he joined the Corporate Finance Department in Bumiputra Merchants Bankers Berhad. In 1984, he joined GP Securities (now known as PB Securities Sdn Bhd) as General Manager and became the Chief Executive Officer in 1992, a position he held until his retirement in 1998. He currently sits on the Boards of Dolomite Corporation Bhd (formerly known as Sunway Building Technology Bhd), Delloyd Ventures Bhd, PK Resources Berhad, Yeo Hiap Seng (Malaysia) Berhad, Hiap Teck Venture Berhad, Synergy Track Berhad, Deutsche Bank (Malaysia) Bhd, Tamco Corporation Holdings Bhd and several private limited companies. He is also a Trustee of several charitable foundations such as Noah Foundation, Hong Leong Foundation and the National Children Welfare Foundation and sits on the Board of Governors of Nilai College.

He does not have any family relationship with any Director and/or substantial shareholders of the Company, nor any personal interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.

**Dato' Dr SHANmughalingam a/l Murugasu**, aged 64, a Malaysian, is an Independent Non-Executive Director of the Company. He was appointed to the Board on 17 June 2003. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee.

Dato' Dr M SHAN obtained a Bachelor of Arts (Honours) degree in Economics from University of Malaya in 1962, Masters degree in Economics and Government from Harvard University, USA in 1971, Doctorate of Philosophy in Economics and Government from Oxford University, UK in 1978 and is a Fellow, Economic Development Institute, World Bank.

He served in the Treasury, Ministry of Finance from 1962 to 1978 his last post being Deputy Secretary (Economic) and in PETRONAS from 1979 to 1991 his last post being General Manager. He was Managing Director of Sri Inderajaya Sdn. Bhd. from 1992 to April 1996. Since May 1996, he is Managing Director of Trilogic Sdn. Bhd. and sits on the advisory panels to the Malaysian Institute of Economic Research (MIER) and Asian Strategy and Leadership Institute (ASLI).

He also sits on the Boards of Main Board public listed companies, Edaran Otomobil Nasional Berhad (EON), Delloyd Ventures Bhd and PBA Holdings Bhd. and several unlisted companies, including Malaysian Industrial Development Finance ("MIDF") Aberdeen Asset Management Sdn. Bhd., Commerce International Merchant Bankers (L) Ltd and CIMB Discount House Bhd.

He does not have any family relationship with any Director and/or substantial shareholders of the Company, nor any personal interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.